

Turkey Automated Tax Free Fuel Program
For
Army & Air Force Exchange Service (AAFES)

C.1. INTRODUCTION

Prior to 2007, tax free fuel was provided using a paper coupon program managed by the Army & Air Force Exchange Service (AAFES), however, during the summer of 2006 the Turkish Government mandated that tax exempt fuel sales be accomplished using an automated processes. This mandate resulted in the requirement to use a single contractor to provide retail fuel to the Government using automated systems that would feed data to AAFES to track and process tax exempt fuel transactions. Fuel is lifted from the Contractor's retail pump utilizing an Electronic Fueling Device (EFD) installed on the user's vehicle, which communicates with the Contractor's system to record the sale. Although this is primarily a supply contract for fuel, the Turkish Government requirement to use automated processing for tax exempt fuel transactions results in additional contractual requirements such as: hardware and software support, technology hook-up/removal, database/fleet management systems, creation of maps showing vendor retail outlets available throughout the country, substantial program management/support and a minimum 60 day implementation process.

C.2. SPECIAL TERMS AND PHRASES

- A. Army & Air Force Exchange Service (AAFES)
- B. AAFES Property Administrator: will maintain a data base with all STAR CARD accounts numbers. Property administrator located at AAFES General Manager, Turkey Consolidated, Unit 7150, Box 260, APO AE 09824. Phone number 322.316.6937, 322.316.6972 and fax number 322.316.6750.
- C. Beyannames or Takris: Turkish tax exemption certificates
- D. Department of Defense (DoD)
- E. Electronic Fueling Device (EFD): electronic mechanism, either a ring, chip or any other conceivable form that is mounted onto the vehicle for the purpose of transmitting fueling related accounting information wirelessly to contractor's computer systems.
- F. Government Owned Vehicles (GOV)
- G. Personal Identification Number (PIN)
- H. Privately Owned Vehicles (POV):
- I. Military STARSM Card: For all authorized POVs the AAFES Property Administrator will issue the Military STARSM Card.
- J. Ground PORTS (Paperless Ordering Receipts Transaction Screens): Manual can be found at <http://www.desc.dla.mil/DCM/DCMPage.asp?PageID=356> → click on "Ground PORTs." For assistance, please contact the BSM Energy Help Desk at 1-800-446-4950 or bsme.helpdesk@dlamail.
- K. SF1449: Order
- L. DD250: Receipt/Invoice

C.3. SPECIFIC TERMS AND CONDITIONS NOT COVERED IN THE FAR CLAUSES.

- A. The trading and selling of EFDs to Turkish nationals is in direct violation with Turkish law.
- B. Overall product price should include all cost and fees associated with the support of services identified here within except for the fee for installation and removal of proposed Electronic Fueling Device (EFD).
- C. Do not include taxes in offer prices. The U.S Government is tax exempt. Contractor is responsible for completing the tax exemption certificates called Beyannames or Takris, which permit tax-exempt status and responsible for working with DESC-EU representative as well.
- D. Contractor should price separately a fixed fee for initial installation, damaged EFD and/or lost, and removal of device.
- E. In case of theft, or accidental damage Customer is required to notify the Contractor immediately.
- F. The contractor shall invoice and be paid in U.S. dollars per U. S. gallons.
- G. On a monthly basis the contractor and AAFES will utilize PORTS (Paperless Ordering Receipts Transaction Screens) to order, invoice and receipt fuel accounted for by active EFDs. Contractor will verify that accounts are charged correctly. The Contractor may only invoice for fuel accounted for by EFDs. AAFES will electronically prepare and send an order Form SF1449 by the 6th of each month. AAFES will associate the Contractor receipt DD form 250 immediately upon receipt of proper invoice. Purchase made between 1st and 15th of each month will be invoiced by the Contractor on the 16th of each month. Purchase made between the 16th and the last day of the month will be invoiced by the Contractor on the last day of the month and the total of these two (2) invoices will be paid net 30 days after receipt of proper invoice.

C.4. GOVERNMENT-FURNISHED-EQUIPMENT

None.

C.5. REQUIREMENTS

STARTUP

Contractor should be prepared to wait for un-installation of existing devices, setup operations, and install new devices within 60 days of award. The estimated number of POVs that will require an EFD is 1,200 and GOVs is 400.

EFD AND COMPUTER SYSTEM FEATURES

As a fraud prevention measure, the Contractor will design a system and process that facilitates a user identified personal identification number (PIN), which will activate the pump. The EFD mounted by the Contractor will be able to freeze accounts based upon set allowances until new monthly cycle begins. EFD will be issued and installed by the contractor. Customer preferences on fuel type, and control on monthly allowance will be editable by web-site by customer and Takris respectively. The maximum allowance limit is set at 105 USG/month for POVs and no limit for GOVs. Unused allowance per month will not transfer forward. Contractor will provide a

toll-free number and web-site with a minimum of nine (9) customer accounts to access account balances.

The contractor's computer systems will collect the refueling data and will upload to AAFES computer system on a daily basis. Procedures for uploads of daily information and format need to be co-developed with the AAFES information technology division. Contractor is responsible for the privacy safeguarding of the information. AAFES Headquarters Dallas Texas main computer system will be allowed to conduct daily data pulls from Contractor's computer system. The contractor's computer system will collect data from all points of sale. Contractor will be able to provide to AAFES ad hoc reporting concerning the collected data.

Contractor will ensure the Military STARSM Card is associated with the Contractor's sales tracked by the EFD. During EFD installation to POVs, the Military STARSM Card number will be associated with the plate number of vehicle and corresponding EFD serial number. AAFES will separately administer GOVs.

SUSTAINMENT

Contractors will include as part of their offer a detailed service station list with hours of operations of 24 hours and 7 day a week that will accept the EFD and provide commercial grade diesel and gasoline. A map will be provided by Contractor that details the locations of these stations and will be provided to AAFES locations for distribution. We require adequate coverage in and around Istanbul, Ankara, Izmir, Aksaray, Afyon, Eskisehir, Antalya, and are the main priority for station coverage.

EFD may only be used to purchase fuel for GOV or POV belonging to eligible United States Department of Defense (DoD) personnel and their dependents. **Turkish nationals who are employed by the U.S. Government or U.S. Contractor will be permitted to refuel U.S. EFD may only be used to purchase fuel for GOV or POV belonging to eligible United States Department of Defense (DoD) personnel and their dependents.** Turkish nationals who are employed by the U.S. Government or U.S. Contractor will be permitted to refuel U.S. Government or authorized U.S. Contractor-owned vehicles using the EFD. Turkish nationals will not be permitted to refuel any other vehicles using EFD.

TRANSITION

When the contract expires, AAFES will have each POV and GOV report to Contractor designated service station to have EFD removed.

C.6. REFERENCES

TURKEY AUTOMATED REFUELING PROGRAM

